



# U.S. DEPARTMENT OF ENERGY

## EM Site Specific Advisory Board

June 15, 2011

Joann Luczak

Deputy Assistant Secretary for Program Planning and Budget  
Office of Environmental Management



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# Leveraging strategic investments to meet compliance and maintain cleanup momentum

## *Environmental Management: A National Responsibility*

- We reduce risks and protect our workers, our communities and the environment through cleanup
- Our work is urgent and essential to the health and economic vitality of our communities and the nation and positions our Sites for future missions and use
- Our mission is not discretionary - it is a congressional mandate to D&D the gaseous diffusion plant under the U.S. Energy Policy Act of 1992 and a federal obligation to address the cold war environmental legacy cleanup and honor our regulatory commitments
- Time is not on our side – costs and risks increase over time
- We have demonstrated value for the American Taxpayer by delivering significant progress in the past several years in reducing risks and the overall liability - but our work is not done
- The Environmental Management portfolio is one of our nation's largest liabilities - we have a responsibility to relieve future generations of this environmental and financial liability



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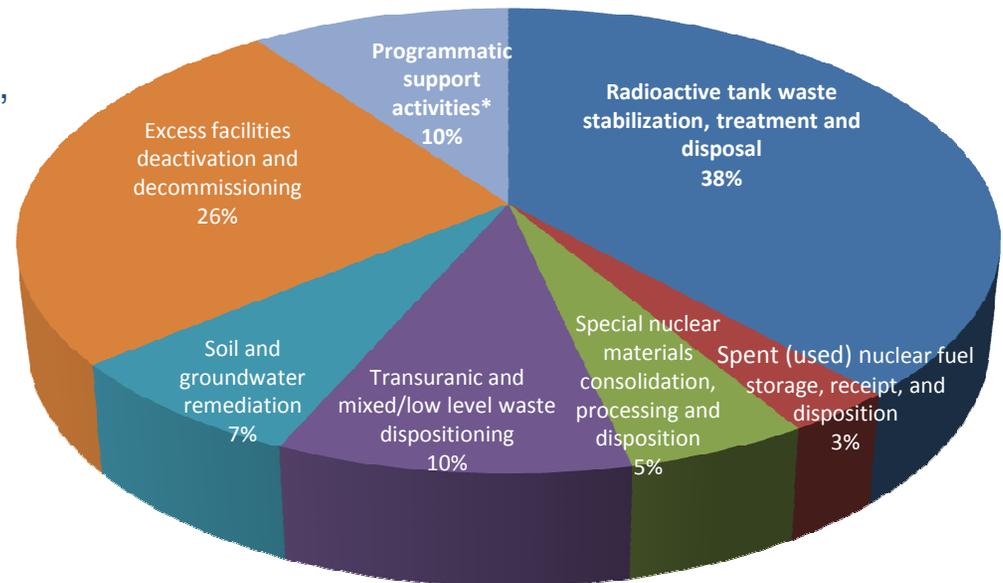
2

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## Program Priorities

- Activities to maintain a **safe, secure, and compliant** posture in the EM complex
- Radioactive **tank waste** stabilization, treatment, and disposal
- **Spent (used) nuclear fuel** storage, receipt, and disposition
- **Special nuclear material** consolidation, processing, and disposition
- **Transuranic and mixed/low-level waste** disposition
- **Soil and groundwater** remediation
- Excess facilities **deactivation and decommissioning (D&D)**

### “To-Go Life-Cycle Costs” (\$185B - \$218B as of the FY 2012 Request)



\* Program Direction, Program Support, Community & Regulatory Support, Technology Development & Deployment, and Post-Closure Administration



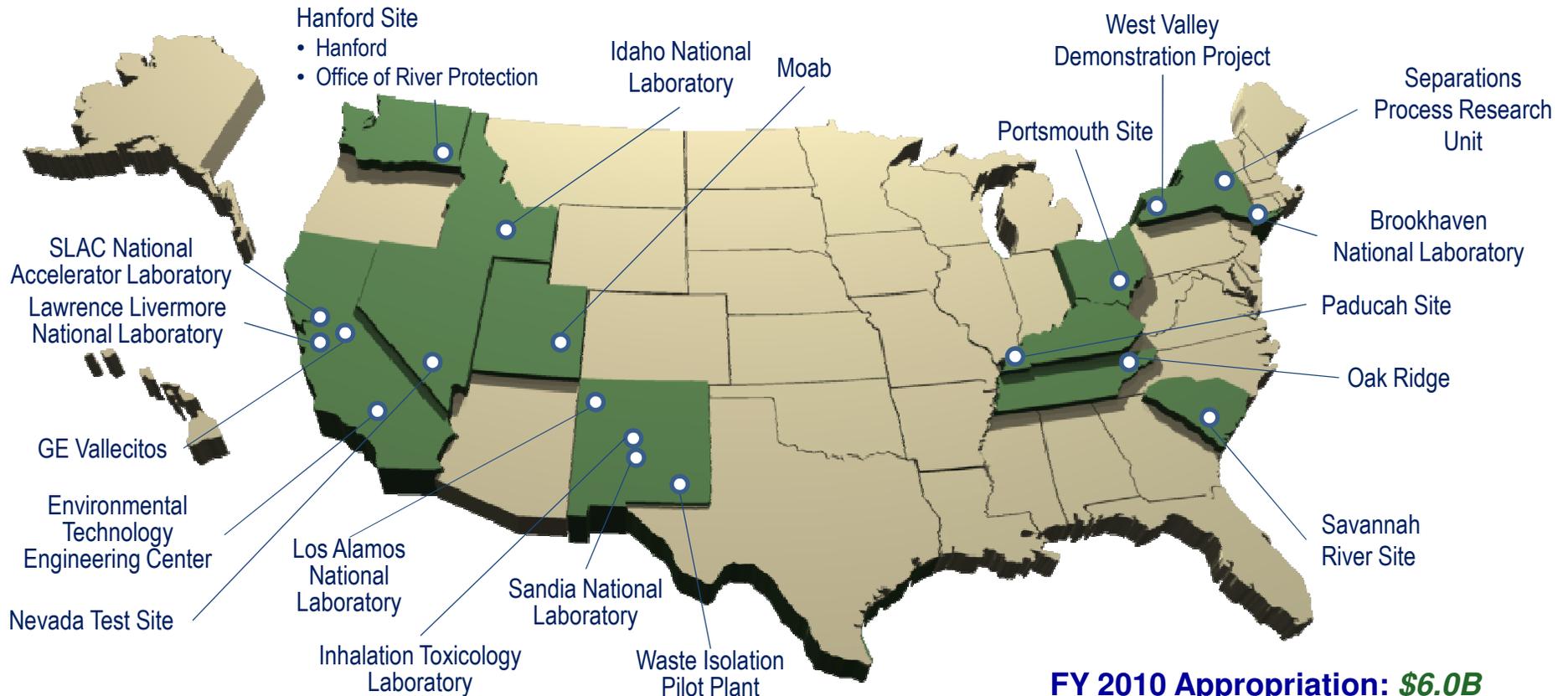
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## Active Sites



**FY 2010 Appropriation: \$6.0B**

**FY 2011 Operating Plan: \$5.7B**

**FY 2012 Request: \$6.1B**

Size of the EM Program	Original	Current
Number of States	35	11
Number of Sites	107	18
Square Miles	3,125	559



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## Compliance Posture

- Funds activities to maintain a safe and secure posture in the EM complex
- Now, after two decades EM and its regulators operate in a mature programmatic and regulatory setting
- Regulators and stakeholder relationships are sophisticated
  - Cost and scope is well understood
  - Structure of regulatory agreements vary from state to state
  - Real expectation that the Department will deliver on its commitments
  - Legal remedies available to regulators
- To fulfill the requirements of Executive Order 12088, EM must submit a request to cover the costs of environmental compliance requirements in its OMB budget request



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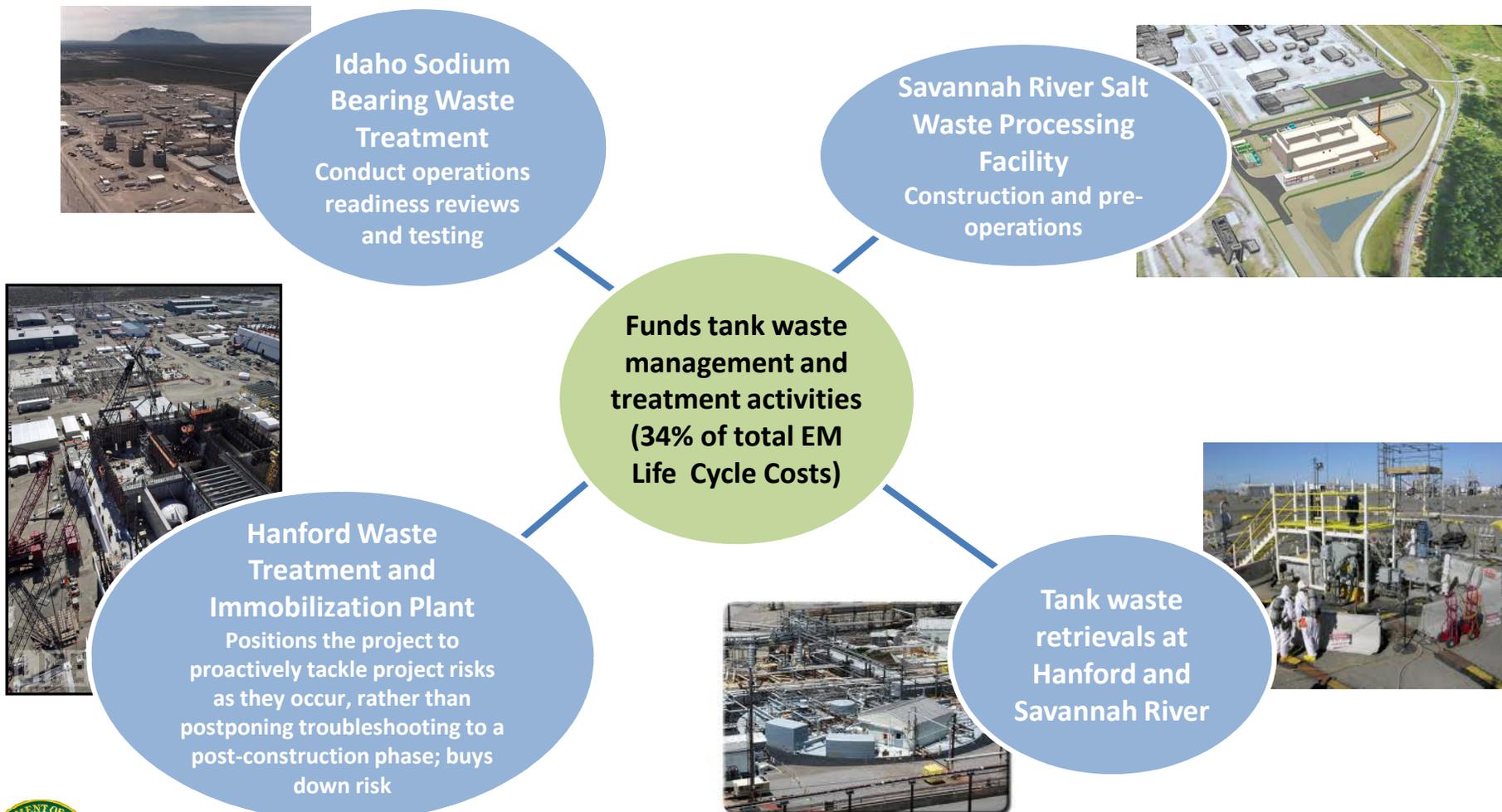
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## FY 2012 Highlights



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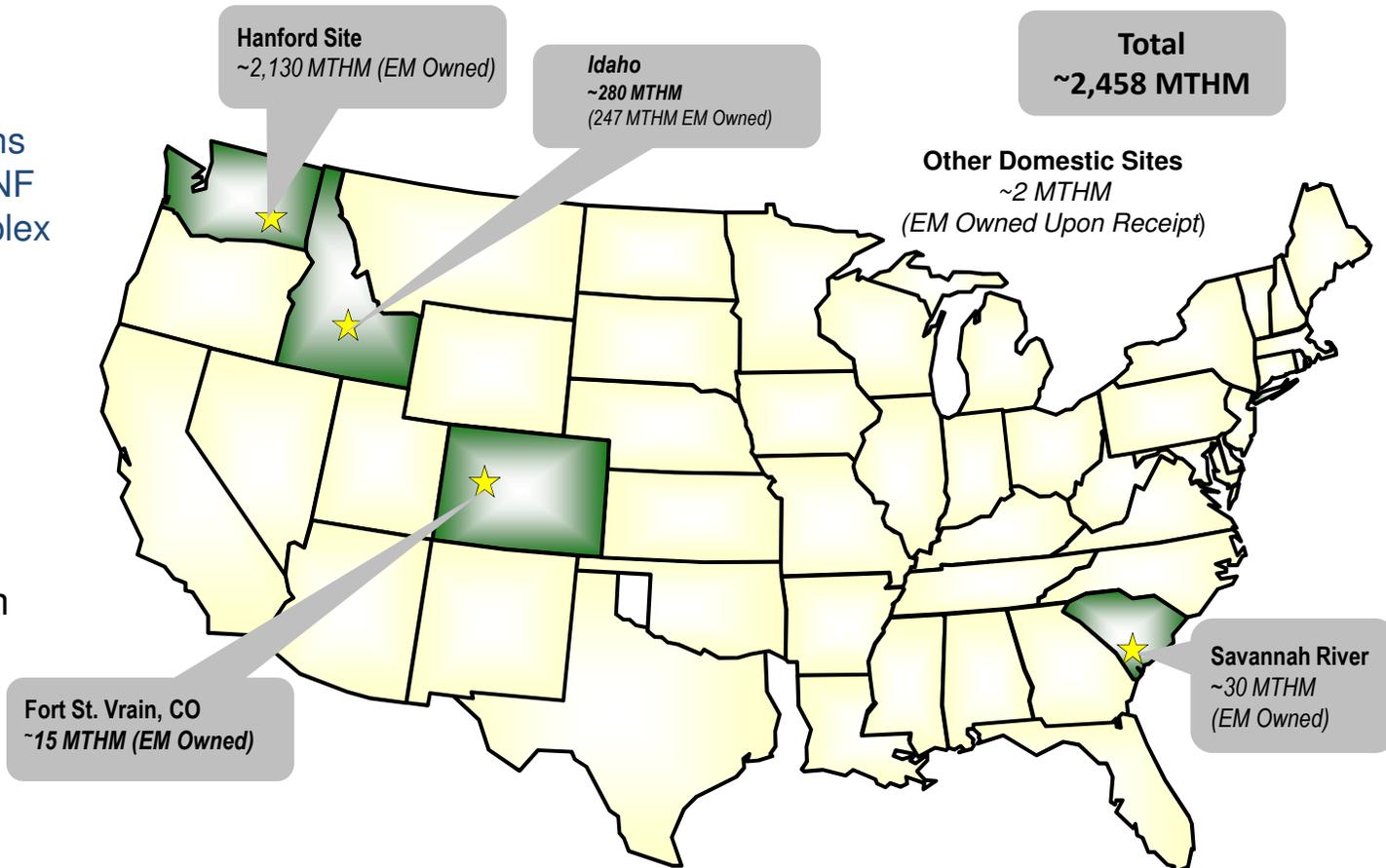
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## Spent Nuclear Fuel Storage

More than 2,400 Metric Tons Heavy Metal (MTHM) of SNF is located across the Complex

- DOE Production and R&D Reactors
- Foreign Research Reactors (FRR)
  - U.S. & non-U.S. origin
- Domestic Research Reactors (DRR)



- 99% of EM SNF is in dry storage
- Savannah River is EM's only remaining wet storage



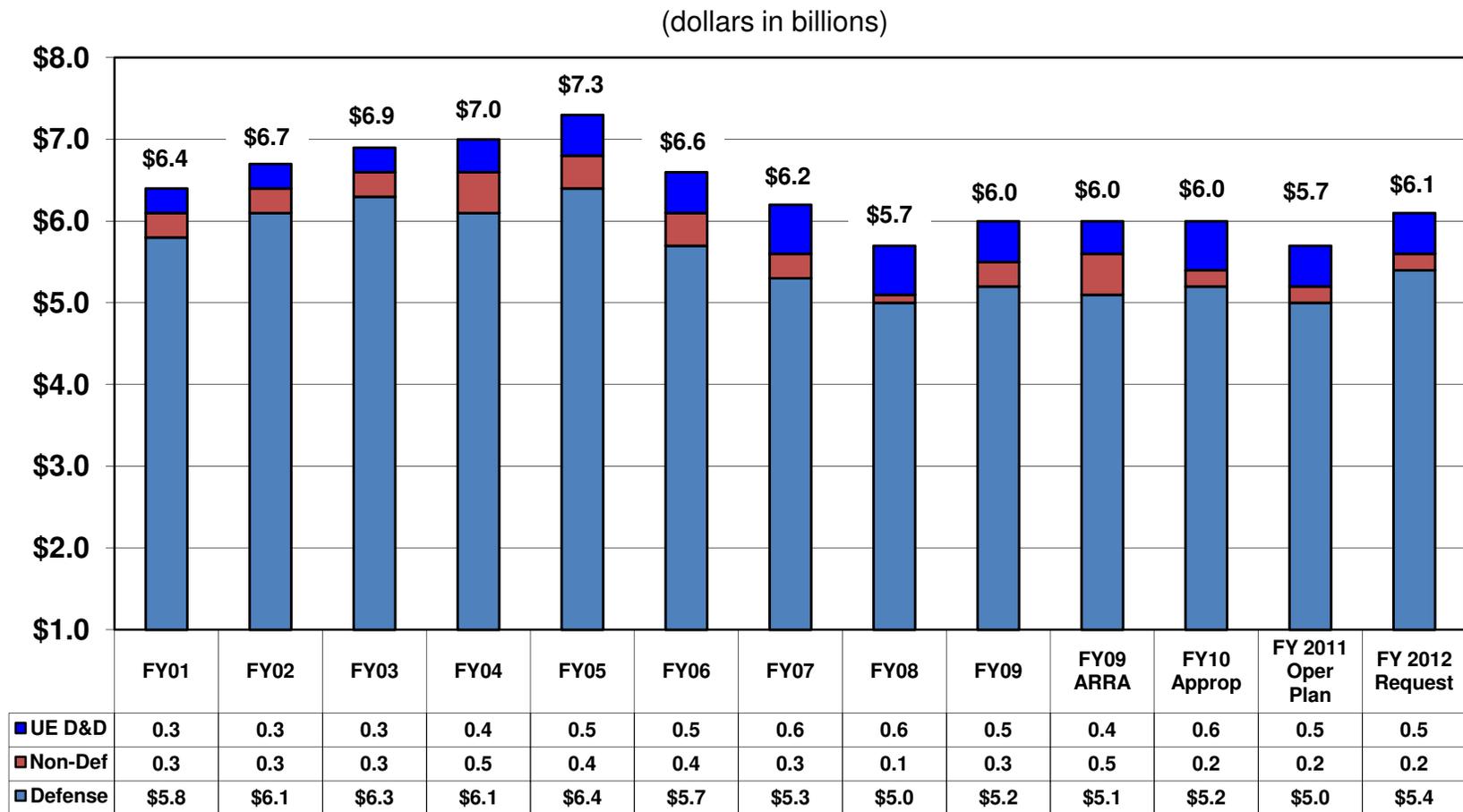
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## EM Funding History: Levelized in Recent Years



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*FY 2011 Operating Plan -- \$5.7B*

- President signed into Law on 4/15/11, Public Law 112-10
- Historical Continuing Resolution (CR) rules applied for more than half of the fiscal year – no new starts or terminations
- Seven (7) CR periods limited access to full funding
- The Department submitted its FY 2011 Operating Plan May 18, 2011 consistent with the provisions contained in the public law and at a level of detail below the appropriation
- FY 2011 Operating Plan reflects the close cooperation of all our sites to ensure they are positioned to meet compliance milestones while balancing workforce requirements with our on-going mission



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## FY 2012 Budget Overview

Appropriations	FY 2011 Operating Plan	FY 2012 Request	FY 2012 House Mark	FY 2011 Operating Plan vs FY 2012 House Mark	FY 2012 Request vs FY 2012 House Mark
Defense Environmental Cleanup	\$ 4,991,638	\$ 5,410,162	\$ 4,937,619	\$ (54,019)	\$ (472,543)
Non-Defense Environmental Cleanup	224,350	219,121	213,121	(11,229)	(6,000)
UE D&D Fund	506,984	504,169	449,000 <sup>1</sup>	(57,984)	(55,169)
Subtotal, EM	5,722,972	6,133,452	5,599,740	(123,232)	(533,712)
Offsets	(33,633)	(3,381)	-	33,633	3,381
Total, EM	5,689,339	6,130,071	5,599,740	(89,599)	(530,331)
<b>PY Unobligated Rescissions</b>					
Defense Environmental Cleanup	(11,900)	-	-	11,900	-
Non-Defense Environmental Cleanup	(900)	-	-	900	-
UE D&D Fund	(9,900)	-	-	9,900	-
Grand Total, EM	\$ 5,666,639	\$ 6,130,071	\$ 5,599,740	\$ (66,899)	\$ (530,331)

<sup>1)</sup> House Mark: UED&D - No more than \$150M on barter, transfer, or sale of uranium

- February 14, 2011: President's Request delivered to Congress
- March 30, 2011, SSAB Guidance was signed out by EM-2
- March 31, 2011: EM-1 testified to HEWD
- April 1, 2011: Budget Formulation Planning for FY 2013 kick-off with sites
- June 1, 2011: HEWD initial mark by appropriation level totaling \$5.6B with final mark expected on June 15 including lower-level activities

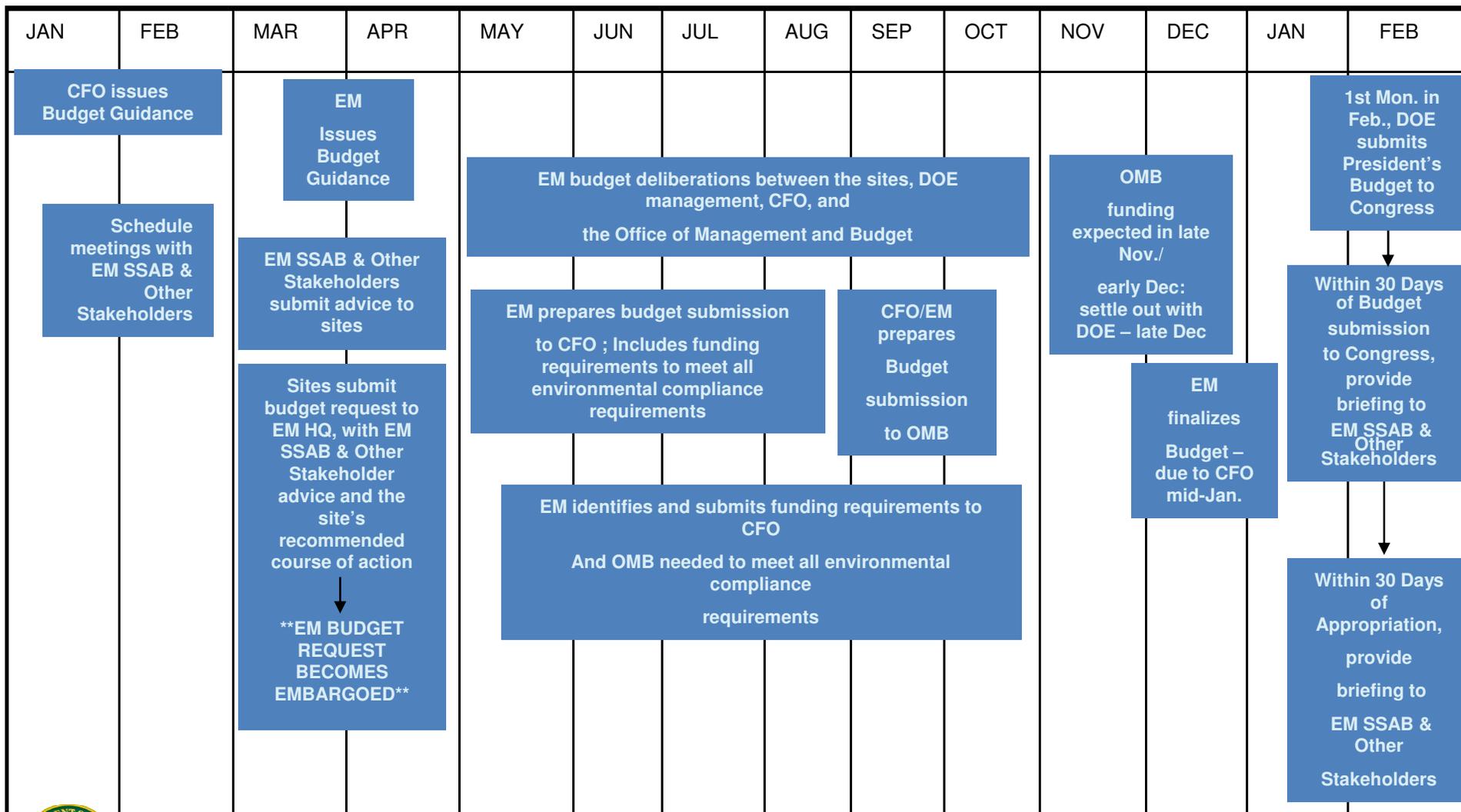


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## FY 2013 Formulation Process

- EM HQ sends 5-year targets to the field sites (BY +4)
- EM field managers brief HQ leadership on funding strategy and program requirements
- Field sites develop Integrated Priority Lists (IPLs)
- EM HQ conducts corporate review and analyses and develop crosscutting information for S-3 consideration
- EM transmits budget to OMB, receives Passback, and appeals if necessary
  - ✓ EM budget request must comply with E.O. 12088
- EM HQ develops congressional budget and leads effort with field sites to develop appropriate messaging for rollout



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## Funding by Site for Base Program (\$ in thousands)

Site	FY 2009	FY 2010		FY 2011		FY 2012
	Recovery	Cong. Req.	Current Enacted	Cong. Req.	Operating Plan	Cong. Request
Argonne	79,000	-	10,000	-	-	-
Brookhaven	70,810	12,614	15,000	13,861	13,832	8,185
ETEC	51,675	13,000	10,500	10,679	6,466	10,679
Hanford	1,634,500	993,503	1,080,503	1,041,822	1,038,875	1,005,987
Idaho	467,875	411,168	469,168	412,000	403,448	392,000
Los Alamos	211,975	191,938	200,438	200,000	191,800	361,577
Lawrence Livermore	-	1,148	2,924	873	822	873
Miamisburg	17,900	33,243	33,243	-	-	-
Moab	108,350	30,671	39,000	31,000	30,938	31,000
Nevada	44,325	65,674	74,405	66,000	62,510	66,000
Oak Ridge	755,110	411,168	436,448	450,000	401,142	401,056
River Protection	326,035	1,098,000	1,096,600	1,158,178	1,135,597	1,361,391
Paducah	80,400	144,857	165,127	145,000	144,370	143,769
Portsmouth	119,800	319,663	310,307	479,035	257,604	310,035
Savannah River	1,615,400	1,342,013	1,342,013	1,349,863	1,300,024	1,363,728
SPRU	58,575	15,000	15,000	12,500	50,895	1,500
SLAC	14,300	4,600	7,100	3,526	7,711	2,435
Sandia	-	2,864	2,864	-	3,014	-
WIPP	172,175	224,981	234,981	225,000	220,006	233,771
West Valley	62,875	59,933	59,933	60,000	59,589	60,000
Other	-	9,687	13,687	6,375	175	5,375
Program Direction	27,920	355,000	345,000	323,825	320,007	321,628
Program Support	-	34,000	34,000	25,143	21,101	20,143
Ur/Th Reimbursement	70,000	-	-	-	-	-
TD&D	-	55,000	19,440	32,320	19,413	32,320
D&D Fund Deposit	-	463,000	463,000	496,700	33,633	-
Bridge Funding - Transfer to Dept Admin	11,000	-	-	-	-	-
<b>Subtotal, EM</b>	<b>6,000,000</b>	<b>6,292,725</b>	<b>6,480,681</b>	<b>6,543,700</b>	<b>5,722,972</b>	<b>6,133,452</b>
UED&D Fund Offset:	-	(463,000)	(463,000)	(496,700)	(33,633)	-
Federal Pay Freeze Adjustment	-	-	-	-	-	-
Domestic Utility Fee Offset:	-	(200,000)	-	-	-	-
Defense Prior Year Offset:	-	-	(11,787)	-	-	(3,381)
Non-Def Prior Year Offset:	-	-	-	-	-	-
Transfer from Science:	-	-	-	-	-	-
<b>Total, EM</b>	<b>6,000,000</b>	<b>5,629,725</b>	<b>6,005,894</b>	<b>6,047,000</b>	<b>5,689,339</b>	<b>6,130,071</b>



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## Budget by State (\$ in thousands)

Site	FY 2010	FY 2011 Cong Req	FY 2011 Op Plan	FY 2012 Request
California	20,786	15,078	14,999	13,987
Colorado	6,375	6,375	175	5,375
Idaho	480,567	422,776	414,603	403,211
Illinois	10,000	0	0	0
Kentucky	175,397	153,951	154,679	154,794
Mississippi	4,000	0	0	0
Nevada	78,254	69,932	66,174	69,821
New Mexico	455,030	439,363	430,842	611,109
New York	89,933	86,361	124,316	69,685
Ohio	393,978	520,279	303,195	350,816
South Carolina	1,395,909	1,404,326	1,350,068	1,415,655
Tennessee	455,621	466,610	416,114	417,216
Utah	39,000	31,000	30,938	31,000
Washington	2,253,899	2,270,826	2,253,223	2,444,757
Washington, DC	621,932	656,823	163,646	146,026
Subtotal, EM	6,480,681	6,543,700	5,722,972	6,133,452
D&D Fund Offset	-463,000	-496,700	-33,633	0
Defense PY Offset	-11,787	0	0	-3,381
Total EM	6,005,894	6,047,000	5,689,339	6,130,071



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